

Examination Checklist—Electronic Fund Transfer Act		
A. Section 205.5—Issuance of Access Devices		
	Yes	No
1. Does the institution issue validated access devices only:		
a. In response to requests or applications [§205.5(a)(1)]; or,		
b. As a renewal or substitution for an accepted access device [§205.5(a)(2)]; or		
2. Does the institution issue unsolicited access devices only when the devices are:		
a. Not validated [§205.5(b)(1)]; and,		
b. Accompanied by an explanation that the device is not validated, and how to dispose of the device if the customer does not want it [§205.5(b)(2)]; and,		
c. Accompanied by the required disclosures, [§205.5(b)(3)]; and,		
d. Validated only on consumer request and after proper identification is made? [§205.5(b)(4)]		
3. Does the institution verify the consumer's identity by a reasonable means (such as by photograph, personal visit, or signature)? [§205.5(b)(4)]		
B. Section 205.6—Liability of Consumer for Unauthorized Transfers		
1. Does the institution impose liability on the consumer for unauthorized transfer only:		
a. If an accepted access device is used [§205.6(a)]; and,		
b. If the institution has provided a means to identify the consumer to whom it was issued; and,		
c. If the institution has provided the disclosures required by Section 205.7(b)(1) (2) and (3).		
2. Does the institution NOT use negligence of the consumer as a basis for greater liability than is permissible under Regulation E? [Official Staff Commentary §205.6(b)]		
3. Is the consumer's liability for unauthorized use of a lost or stolen access device limited to the lesser of \$50 or actual loss if the consumer notifies the institution within two business days of discovery of loss or theft of the access device? [§205.6(b)(1)]		
4. If the consumer fails to notify the institution of loss or theft of an access device within two business days of discovery of loss or theft, is consumer liability limited to \$500, as follows: [§205.6(b)(2)]		
a. The lesser of \$50 or actual loss within the first two business days; and,		
b. Unauthorized transfer amounts that occur after the two business days and before notification (provided the institution proves these unauthorized transfers could have been prevented had notification within the two business days occurred)?		

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	Yes	No
5. If a consumer fails to notify the institution of an unauthorized transfer within 60 days of transmittal of the periodic statement upon which that transfer appears, is consumer liability limited to: [§205.6(b)(3)]		
a. The lesser of \$50 or actual loss that appears on the statement or occurs during the 60 day period; and,		
b. The amount of unauthorized transfers that occur after the close of 60 days and before notice to the institution (provided the institution proves that the unauthorized transfers could have been prevented had notification occurred within the 60 days)?		
C. Section 205.7—Initial Disclosures		
1. Does the institution make the following disclosures:		
a. A summary of the consumer’s liability under §205.6 (or lesser liability under state law or agreement)? [§205.7(b)(1)]		
b. The telephone number and address of the person or office to be notified when the consumer believes that an unauthorized EFT has been or may be made? [§205.7(b)(2)]		
c. The institution’s business days, as determined under §205.2(d)? [§205.7(b)(3)]		
d. The type of EFTs that the consumer may make and any limitations on the frequency and dollar amount of transfer? [§205.7(b)(4)] (If details on the limitations on frequency and dollar amount of transfers are essential to maintain the security of the system, they need not be disclosed.)		
e. Any charges for EFTs or for the right to make transfers? [§205.7(b)(5)]		
f. A summary of the consumer’s right to receive documentation of EFTs, as provided in §205.9, 205.10(a), and 205.10(d)? [§205.7(b)(6)]		
g. A summary of the consumer’s right to stop payment of a preauthorized EFT and the procedure for initiating a stop-payment order, as provided in §205.10(c)? [§205.7(b)(7)]		
h. A summary of the institution’s liability to the consumer for its failure to make or to stop certain transfers under §910 of the Act? [§205.7(b)(8)]		
i. Circumstances under which the institution in the ordinary course of business will disclose information to third parties concerning the consumer’s account? [§205.7(b)(9)]		
j. An error resolution notice meeting the requirements of §205.7(b)(10)?		
D. Section 205.8—Change in Terms; Error Resolution Notice		
1. Has the institution made any changes in a term or condition since the last examination that required a written notice to a consumer? The change would need to result in: increased fees, increased liability for the consumer, fewer types of EFTs available, and stricter limitations on the frequency or dollar amounts of transfers. [§205.8(a)]		
a. If so, was the notice provided at least 21 days before the effective date of such change? [§205.8(a)]		

	Yes	No
2. Does the institution provide either the long form error resolution notice at least once every calendar year or the short form error resolution notice on each periodic statement? [§205.8(b)]		
E. Section 205.9—Receipts at Electronic Terminals; Periodic Statements		
1. Does the institution make a receipt available to the consumer, in a retainable form, at the time an EFT is initiated? [§205.9(a)]		
2. Does the receipt contain the following items as applicable: [§205.9(a)]		
a. The amount of the transfer (amount may be combined with any transfer charge if certain conditions are met)? [§205.9(a)(1)]		
b. The calendar date the transfer was initiated? [§205.9(a)(2)]		
c. The type of transfer and account to or from which funds are transferred? (Transactions are exempt from the type-of-account requirement if the access device used can only access one account.) [§205.9(a)(3)]		
d. A number or code that identifies one of the following:		
i. the consumer's account, or		
ii. the access device used? [§205.9(a)(4)] <i>NOTE: The number or code need not exceed four digits or letters to comply.</i>		
e. Identification or location of the terminal? [§205.9(a)(5)]		
f. The name of any third party to or from whom funds are transferred unless the name is provided in a non-machine readable form? [§205.9(a)(6)]		
3. Does the institution mail or deliver a periodic statement for each monthly or shorter cycle in which an EFT has occurred? [§205.9(b)]		
4. If no EFTs have occurred, has the institution mailed or delivered a periodic statement at least quarterly for non-passbook accounts? [§205.9(b)]		
5. Does the periodic statement or accompanying documents contain the following items: [§205.9(b)(1)]		
a. The amount of the transfer (amount may include transfer charge if it was added in accordance with the terminal receipt requirements); [§205.9(b)(1)(i)]		
b. The date the transfer was posted to the account; [§205.9(b)(1)(ii)]		
c. The type of transfer and account; [§205.9(b)(1)(iii)]		
d. The location of the terminal; [§205.9(b)(1)(iv)]		
e. The name of any third party to or from whom funds were transferred; [§205.9(b)(1)(v)] Yes No		
f. The account number(s); [§205.9(b)(2)]		

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g. The total amount of any fees or charges assessed during the statement period for EFTs, the right to make EFTs or for account maintenance (excluding any finance charges under Regulation Z, overdraft or stop payment charges and any transfer charges combined with transfer amounts under §205.9(a)); [§205.9(b)(3)]		
h. The beginning and ending balances; [§205.9(b)(4)]		
i. The address and telephone number to be used for inquiries or notice of errors; and, [§205.9(b)(5)]		
j. If applicable, the telephone number to use in finding out whether a preauthorized credit has been made as scheduled? [§205.9(b)(6)]		
6. For passbook accounts that only receive preauthorized credits, does the institution upon presentation by the consumer enter in a passbook or on a separate document the amount and date of each EFT made since the passbook was last presented? [§205.9(c)]		
F. Section 205.10—Preauthorized Transfers		
1. If a consumer's account is to be credited by a preauthorized EFT from the same payor at least once every 60 days: [205.10(a)(1)]		
a. Does the institution provide oral or written notice, within two business days, after the transfer occurs or was scheduled to occur, that the transfer did or did not occur; or		
b. If the telephone alternative is selected, does the institution disclose the telephone number in initial disclosures and on each periodic statement; and		
c. Is the number "readily available" during the institution's business hours?		
2. Does the institution credit the consumer's account for preauthorized EFTs as of the day the funds are received? [§205.10(a)(3)]		
3. Does the institution obtain authorization from the consumer for preauthorized EFTs? [§205.10(b)]		
4. Does the financial institution comply with §205.10(c) regarding stop payment orders?		
5. If a preauthorized EFT from a consumer's account varies in amount from the previous transfer under the same authorization or preauthorized amount, does the institution provide proper notice at least ten days before the scheduled date of transfer? [§205.10(d)] <i>NOTE: If the designated payee makes the notification, the institution is absolved from this requirement.</i>		
6. Does the institution refrain from conditioning an extension of credit to a consumer on repayment by preauthorized EFTs? [§205.10(e)(1)]		
7. Does the institution refrain from requiring a consumer to establish an account with a particular institution for receipt of EFTs as a condition of employment or receipt of a government benefit? [§205.10(e)(2)]		

G. Section 205.11—Procedures for Resolving Errors		
	Yes	No
1. If the institution requires a written confirmation of an error within ten business days of an oral notice, is this requirement disclosed to the consumer with the address of where it must be sent? [§205.11(b)(2)]		
2. Does the institution promptly investigate alleged errors and resolve them within ten business days of receiving a notice of error? [§205.11(c)(1)]		
3. Does the institution inform the consumer of the results of the investigation within three business days after completing its investigation? [§205.11(c)(1)]		
4. After the institution determines an error occurred, is the error corrected within one business day? [§205.11(c)(1)]		
5. If the institution needs more time and informs the consumer that it may take up to 45 days, does the institution: [§205.11(c)(2)]		
a. Provisionally credit the amount of the alleged error (including interest, where applicable) to the consumer's account within ten business days of the initial report (except where written confirmation is required but not received within ten business days)? [§205.11(c)(2)(i)]		
b. Notify the consumer within two business days of the amount and date of the provisional crediting and the fact that the consumer will have full use of funds pending the outcome of the investigation? [§205.11(c)(2)(ii)]		
c. Give the consumer full use of the funds during the investigation period? [§205.11(c)(2)(ii)]		
6. If the institution provisionally credited the consumer's account and determines that an error has occurred, have procedures been established to: [§205.11(c)(2)]		
a. Correct the error (including crediting interest or refunding fees) within one business day? [§205.11(c)(2)(iii)]		
b. Notify the consumer within three business days of the correction and that a provisional credit has been made final? [§205.11(c)(2)(iv)]		
7. If the institution determines that no error has occurred, have procedures been established to: [§205.11(d)]		
a. Within three business days of concluding the investigation, provide a written explanation of its findings and include the notice of the consumer's right to request the documents upon which the institution relied in making its determination? [§205.11(d)(1)]		
b. Provide copies of documents?		
c. Upon debiting a provisionally credited amount, notify the consumer of the date and amount of the debit and the fact that the institution honors checks and drafts to third parties and preauthorized transfers for five business days after notification (specifying the calendar date debiting will occur) to the extent that they would have been paid if the provisionally credited funds had not been debited? [§205.11(d)(2)]		

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H. Section 205.13—Administrative Enforcement		
	Yes	No
1. Has the institution preserved evidence of compliance with the requirements of the Act for a two-year period or longer? [§205.13(b)]		
I. Section 205.15—Electronic Fund Transfer of Government Benefits		
1. If a government agency does not provide a periodic statement for electronic government benefits, does the agency:		
a. make the consumer's account balance available through a readily available telephone line and at a terminal; [§205.15(c)(1)]		
b. promptly provide a written history of the consumer's account transactions in response to a request that covers at least 60 days preceding the date of request by consumer; and [§205.15(c)(2)]		
c. provide modified initial disclosures according to §205.15(d)(1) and an annual error resolution notice according to §205.15(d)(2)?		
J. Section 205.16 – Disclosures at Automated Teller Machines		
1. Does the bank assess fees to non-customers who use the bank's ATMs?		
a. If yes, does the bank provide appropriate notice to consumers regarding the fees?		
b. Are the notices provided before consumers are obligated to pay the fee?		
K. Section 205.17 – Electronic Communications		
1. Does the bank deliver required disclosures electronically?		
2. Does the bank send the disclosures to consumers' e-mail addresses or make the disclosure available at another location such as a web-site?		
a. If disclosures are made available at another location such as a web-site, are consumers notified of the availability of these disclosures?		
3. If electronic communications of disclosures are returned as undeliverable, does the institution take reasonable steps to attempt delivery using information in its files?		
L. Internal Control Procedures		
1. Does the institution have adequate procedures to insure that notification of loss, theft, or unauthorized use promptly results in halting unauthorized transfers from a consumer's account, and recrediting amounts when appropriate?		
2. Do the institution's procedures indicate a willingness to resolve consumer complaints regarding EFT matters?		
3. Does a review of statements indicate that transaction identifications are in compliance with Regulation E?		

	Yes	No
4. Do automated teller and point-of-sale transfer receipts provide a clear description of the transaction that is in compliance with Regulation E?		
5. Is the institution's advertising of EFT services free of ambiguous and deceptive statements?		
6. Is the consumer's responsibility with regard to personal access codes explained?		
7. Does a review of merchant agreements and internal controls indicate that consumers are treated consistently with what has been disclosed to them (transaction limitations, costs, documentation, identification, etc.)?		
8. Does the institution maintain any log or tracking sheet for error resolution?		
9. Is personnel able to distinguish between the applicability of Regulation E and Z as part of the issuance of debit and credit cards, error resolution procedures and consumer liability?		